



WASHOE COUNTY

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DA Kel
Risk Mgt. DC
HR N/A
Other N/A

STAFF REPORT

BOARD MEETING DATE: March 10, 2015

DATE: February 13, 2015

TO: Board of County Commissioners

FROM: Jennifer Budge, CPRP, Park Operations Superintendent
Community Services Department, 328.2181, jbudge@washoecounty.us

THROUGH: Eric Crump, Operations Division Director
Community Services Department, 328.2182, ecrump@washoecounty.us

SUBJECT: Authorize the purchase of 21.72-acres (currently APN 038-150-18 and APN 038-150-20 located along the Truckee River); approve a Real Property Purchase and Sale Agreement between Washoe County (buyer) and JoAnne Silvia Grasso and Karen Jennifer Loing, trustees under the Carcione Family Revocable Living Trust (sellers) [*not to exceed \$440,000 for acquisition, closing costs and property clean-up funded from WC-1 Parks, Trails and Open Space Bond of 2000 and State Question One Truckee River Bond funds*]; and further authorize the Community Services Department Director to act on behalf of Washoe County to execute and deliver any and all instruments and funds, including without limitation, contracts, agreements, notices, escrow instructions, deeds and restrictions and railroad access documents, as may be necessary or appropriate to accomplish the acquisition; and authorize the Comptroller's Office to make the appropriate budget adjustments. (Commission District 5.)

SUMMARY

This item, if approved would authorize the purchase of 21.72-acres located at Mogul to serve as part of Washoe County's Truckee River Greenbelt and Regional Open Space Program (see attached map). The parcel is important for wildlife habitat, natural resource management, water quality, and passive recreation opportunities. The parcel was desired by constituents in Park District 1A as a high priority and was identified as part of the WC-1 Parks, Trails and Open Space Bond of 2000 and on the State Question One Truckee River land acquisition lists previously adopted by the Board of County Commissioners (Board). The property is an important part of local history and was the former site of the Avansino Ranch.

Compliant with Washoe County Code, the Community Services Department retained an independent professional real estate appraiser, who established the fair market value of these parcels at \$325,000.

The purchase price for the parcel was negotiated with the buyer at appraised value, in addition to clean up costs estimated at \$105,000 and estimated closing cost of \$10,000. Funding for the

AGENDA ITEM # 10

acquisition, including clean-up costs is from WC-1 Parks, Trails and Open Space Bond of 2000 and State Question One Truckee River Bond funds. While there are no water rights included in this purchase, Washoe County already has Truckee River water rights at the neighboring Canepa Ranch that could be transferred to support natural resource management efforts as needed.

County Strategic Objective supported by this item: Sustainability of our financial, social and natural resources.

PREVIOUS ACTION

August 12, 2014 – The Board approved a Memorandum of Understanding, A Contract Between the State of Nevada Acting by and Through its Department of Conservation and Natural Resources and Washoe County, a Political Subdivision of the State of Nevada Acting by and Through its Community Services Department-Regional Parks and Open Space to extend the funding arrangement on State Question 1 projects retroactive to July 1, 2014 through June 30, 2019.

October 25, 2011 – Board approved and authorized the Chairman to sign, Amendment #2 to “Memorandum of Understanding-A Contract Between the State of Nevada Acting by and Through its Department of Conservation and Natural Resources and Washoe County, a Political Subdivision of the State of Nevada Acting by and Through its Parks and Recreation Department” to extend the funding contract on State Question 1 projects to June 30, 2014.

March 24, 2009 – Board reviewed the approved project list and endorsed the vetting and selection process of the SQ-1 Truckee River project list.

October 14, 2008 – Board approved Amendment #1 to the MOU with State of Nevada for SQ-1 funding, extended the compliance date for implementation of projects to December 31, 2011 and accepted second installment funds of \$4,000,000.

November 25, 2003 – Board authorized the execution of the MOU and receipt of \$10,000,000 in SQ-1 bond payments to be paid in installments, and accepted the first installment of \$4,000,000.

July 15, 2003 – Board approved the SQ-1 Truckee River project list, which included the Carcione Family Trust parcels.

April 15, 2003 – Board reviewed the process for choosing, scoring and prioritizing SQ-1-Truckee River projects.

November 14, 2000, The Board accepted Registrar’s 2000 bond canvass and authorization to issue bonds per voter approval.

April 25, 2000, The Board approved of the 2000 Regional Parks, Open Space and Trails bond (WC-1) project list, which included Truckee River land acquisitions including the Carcione Family Trust parcels.

BACKGROUND

For the past 15 years, Washoe County, through its Community Services Department, has been actively working with a variety of community partners to preserve, enhance, and protect the Truckee River, with the goal of providing public access for future generations. Currently, Washoe County owns and manages numerous parcels along the Truckee River corridor as part of the Truckee River Greenbelt. The greenbelt is important for wildlife habitat, natural resource management, water quality and passive recreation opportunities such as fishing and the Tahoe-Pyramid Bikeway. It has been acknowledged by the public, our community partners, and in

Washoe County’s adopted Regional Open Space and Natural Resource Management Plan, that additional land acquisitions along the Truckee River corridor are needed to ensure adequate habitat protection and natural resource management of this sensitive area.

Compliant with Washoe County Code, the Community Services Department retained an independent professional real estate appraiser [Carter-Ott Appraisal Inc.] who established the fair market value of these parcels at \$325,000 and is the final purchase price for the acquisition. As part of our due diligence, Washoe County also conducted a Phase I Environmental Site Assessment.

If approved, the land will be owned by Washoe County and managed through its Community Services Department. While there are no water rights included in this purchase, Washoe County already has Truckee River water rights at the neighboring Canepa Ranch that could be transferred to support natural resource management efforts as needed.

There is a significant amount of site clean-up needed on the property, as it has been neglected over the years and has been impacted by illegal dumping. Once Washoe County secures ownership, the property will be cleaned up and secured to ensure the land is safe, in good condition and has no hazardous conditions that could potentially harm the public. The property is an important part of local history and was the former site of the Avansino Ranch and the former ranch house will be secured under the supervision of an Architectural Historian to ensure this historic resource is adequately protected and preserved. All acquisition and clean-up costs will be funded entirely from WC-1 Parks, Trails and Open Space Bond and State Question One Truckee River Bond funds and no general funds will be included in this transaction.

FISCAL IMPACT

This project is funded 50% by WC-1 Parks, Trails and Open Space (cash fund 4422) and 50% by State Question One Truckee River (cash fund 4449).

Approval of this item will result in the expenditure of \$325,000 for the purchase of the land, \$10,000 in estimated closing costs and \$105,000 for cleaning and securing the land from project PK052105 (.65 & .85)-781000 (land), associated with WC-1 cash account 4423 which has a current cash balance of \$1.8 million. In accordance with SAP practices, all expenses will be posted to WC-1 fund 4423 and a cash transfer for 50% of the actual expenses will be necessary from SQ-1 cash fund 4449 (current cash balance \$771,967) to WC-1 cash account 4423 at the completion of the project.

The following budget adjustments will shift FY 14-15 appropriations into the new project. This property will be a county asset valued at \$325,000.

Decrease Fund 404-C905211-781001	WC-1 bond cash fund 4423 Land Improvements Capital	\$220,000
Decrease Fund 404-C905103-781000	SQ-1 bond cash fund 4449 Land	\$220,000
Increase Fund 404-PK052105-781000	Truckee River - Carcione Land Acquisition	\$440,000

A total of \$6,400 was spent from PK052105 related to due diligence as part of this acquisition:

- Carter-Ott Appraisal Inc. – Property Appraisal. \$3,600

- McKinley and Associates – Phase I Environmental Site Assessment \$2,300
- First American Title Company – Preliminary Title Report \$500

An estimate of \$105,000 is needed for site clean-up including debris removal, abandon septic tanks, demolish stables, weed removal and treatments, asbestos evaluation, “mothballing report”, drawings and oversight to secure the ranch house by an architectural historian, cultural evaluation, fencing, and signage.

Upon completion of initial clean-up, on-going maintenance of this property is expected to be minimal as it is being maintained as open space for wildlife habitat and is near other County owned parcels.

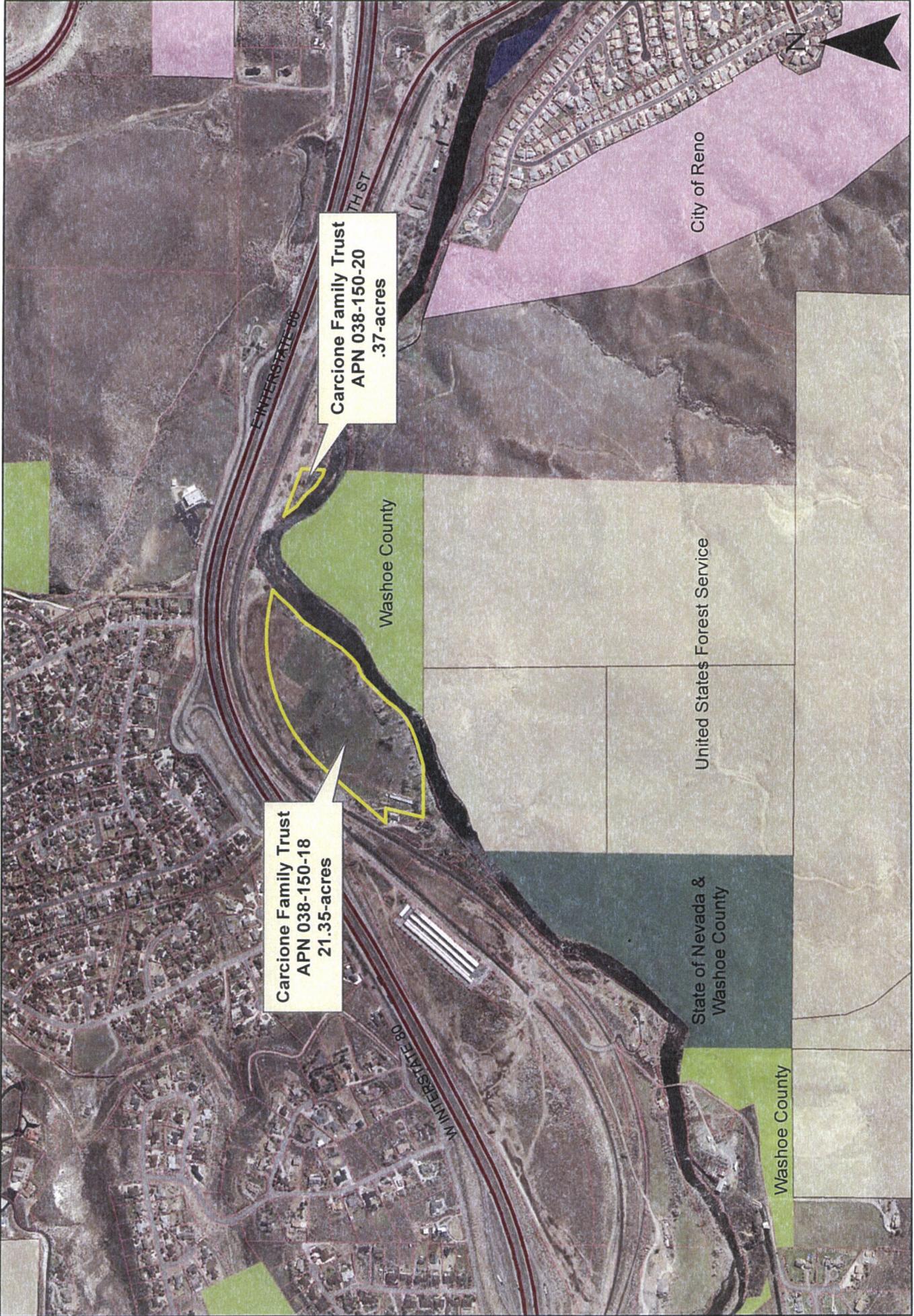
RECOMMENDATION

It is recommended that the Board of County Commissioners authorize the purchase of 21.72-acres (currently APN 038-150-18 and APN 038-150-20 located along the Truckee River); approve a Real Property Purchase and Sale Agreement between Washoe County (buyer) and JoAnne Silvia Grasso and Karen Jennifer Loing, trustees under the Carcione Family Revocable Living Trust (sellers) [*not to exceed \$440,000 for acquisition, closing costs and property clean-up funded from WC-1 Parks, Trails and Open Space Bond of 2000 and State Question One Truckee River Bond funds*]; and further authorize the Community Services Department Director to act on behalf of Washoe County to execute and deliver any and all instruments and funds, including without limitation, contracts, agreements, notices, escrow instructions, deeds and restrictions and railroad access documents, as may be necessary or appropriate to accomplish the acquisition; and authorize the Comptroller’s Office to make the appropriate budget adjustments.

POSSIBLE MOTION

Should the Board agree with staff’s recommendation, a possible motion would be:

“Move to authorize the purchase of 21.72-acres (currently APN 038-150-18 and APN 038-150-20 located along the Truckee River); approve a Real Property Purchase and Sale Agreement between Washoe County (buyer) and JoAnne Silvia Grasso and Karen Jennifer Loing, trustees under the Carcione Family Revocable Living Trust (sellers) [*not to exceed \$440,000 for acquisition, closing costs and property clean-up funded from WC-1 Parks, Trails and Open Space Bond of 2000 and State Question One Truckee River Bond funds*]; and further authorize the Community Services Department Director to act on behalf of Washoe County to execute and deliver any and all instruments and funds, including without limitation, contracts, agreements, notices, escrow instructions, deeds and restrictions and railroad access documents, as may be necessary or appropriate to accomplish the acquisition; and authorize the Comptroller’s Office to make the appropriate budget adjustments.”



**CARCIONE FAMILY TRUST - TRUCKEE RIVER
VICINITY MAP**

(Rev. 2.10.15)

REAL PROPERTY PURCHASE AND SALE AGREEMENT

Dated as of March 10, 2015

THIS AGREEMENT is by and between:

Seller	JoAnne Silvia Grasso and Karen Jennifer Loing, trustees under the Carcione Family Revocable Living Trust, dated June 16, 1992 P.O. Box 474 Graeagle, CA 96103
Buyer	Washoe County, a political subdivision of the state of Nevada c/o Community Services Department 1001 E. Ninth Street Reno, Nevada 89512

RECITALS:

- A. Seller owns the Property described in §1.02 below and desires to sell it to Buyer.
- B. In accordance with NRS 244.275, the Board of County Commissioners of Buyer is authorized to purchase real property for use of the County provided that the value of said property has been previously appraised and fixed by one or more competent real estate appraisers to be appointed for that purpose by the Board of County Commissioners. On the "County Approval Date" indicated below, the Board of County Commissioners met in a duly noticed meeting and reviewed an appraisal and approved the possible acquisition of the Property subject to the terms and conditions stated in this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the conditions hereinafter set forth, the parties agree as follows.

Art I. SCHEDULE OF KEY TERMS AND INFORMATION

[References in brackets are to sections in this Agreement]

§1.01 Appointments and Designations.

Authorized Agent for Seller [§7.11.D]	JoAnne Silvia Grasso and Karen Jennifer Loing, trustees.
Authorized Agent for Buyer [§7.11.D]	Jennifer Budge, Park Operations Superintendent, or Dave Solaro, Director, Community Services Department.
Escrow Agent [§3.05]	Ticor Title Company of Nevada 5441 Kietzke Lane, Suite 100 Reno, Nevada 89511 ATTN: Luann Barnes Order No 01403953—CD
Additional Notices to Seller: [§7.04]	JoAnne Silvia Grasso PO Box 474 Graeagle, CA 96103
Additional Notices to Buyer [§7.04]	Washoe County District Attorney's Office One South Sierra Street P.O. Box 30083 Reno, Nevada 89520-3083 ATTN: Civil Division (Michael Large, Esq.)
Real Estate Agents [§3.02.E]	None for either Buyer or Seller.

§1.02 Property Information

Real Property	Described in Attachment A together with appurtenances, hereditaments and other interests described in §1.06 "Property" below.
Street Address	10195 Mogul Road, Reno, Nevada.
APN	038-150-18 and 038-150-20
Water Rights	None included. Any water rights appurtenant to the Property are specifically being reserved by Seller, and the Deed shall so state.
Personal Property	None.

Appurtenances to be assigned [¶3.09.F]	None.
Contract Rights to be assigned [3.09.F]	None
Tenants [§§4.01 -- 4.04]	None.
Security Deposits [§4.05]	None.
Title & Title Insurance [¶3.09.A]	Fee simple absolute to be conveyed by grant bargain and sale deed; 2006 ALTA Insurance Policy (6-17-2006) Standard Coverage.
Permitted Exceptions to Title [¶3.09.A]	Exceptions # 1 through 22 (taxes and liens paid current) in Schedule B of Preliminary Report from Ticor Title of Nevada dated as of October 14, 2014 Order No 01403953-CD
Buyer's Intended Use [§3.04; §3.09]	Park or Open Space.

§1.03 Price and Payment

Base Price [¶3.02.A]	THREE HUNDRED TWENTY FIVE THOUSAND US DOLLARS, net to Seller (\$325,000.00)	
Possible holdbacks or credits [¶3.02.B]	None.	
Liens assumed [¶3.02.C]	Those liens listed in Permitted Exceptions except must be paid current at time of closing.	
Allocation of Closing Costs [3.02.D]	Title Report	Paid by Buyer
	Title Insurance	Paid by Buyer
	Survey	None required.
	Building Inspection	None required.
	Appraisals and reviews	Paid by Buyer
	Pest Inspection	None required
	Soils Analysis	Paid by party who orders outside of escrow.
	Environmental Assessments	Paid by Buyer
	Transfer Tax	Exempt under NRS 375.090 (2)
Property Taxes	See ¶3.02.D.2	

	Ag Tax Deferral	None.
	Special Assessments	None.
	Sewer	None.
	Rents	None.
	Security Deposits	None.
	Advance utility payments	None.
	Association Fees, Common Area Maintenance Fees	None
	Operating Expenses	None
	Escrow Agent Fees	Paid by Buyer
	Recording Fees	Paid by Buyer
Payment [¶3.02.F]	Payment shall be made by wire transfer into escrow as provided in the Escrow Instructions.	
Rent to Hold Compensation [¶4.02.A]	None.	

§1.04 Schedule

Appraisal Inspection Date [¶¶3.06.B;3.06.C; 3.09.K]	March 20, 2014
County Approval Date [Recital B]	March 10, 2015
Escrow Opens [§3.05]	No later than one week after County approval date
Document Delivery Deadline [¶3.07.A]	Upon opening of escrow.
Preclosing Deadline [§3.11]	April 30, 2015
Closing Deadline [§3.12]	April 30, 2015 Documents and funds shall be delivered to Escrow Agent not later than 10:00 a.m.
Delivery of possession deadline [¶3.14.A]	5 p.m. on day of closing
Automatic Termination Date	April 30, 2015

§1.05 Due Diligence Documents; Condition of Property

Documents to be provided by Seller [§3.07.A]	(i) Representations and Warranties (Attachment B hereto) with all documents referred to therein; (ii) Site plans, surveys, environmental reports and studies, soils and substrata studies pertaining to the Property; (iii) Trust Agreement and Proof of Trustee's incumbency (iv) Attorney Opinion, Attachment D
Documents to be provided by Buyer [§3.07.A]	All executed documents and items approved by the Board of County Commissioners related to this transaction.
ALTA Survey [§3.09.B]	None required.
Inspections/ Condition of Property Notes [§§3.07.B, 3.09C, 3.09K]	Buyer has completed all inspections it desires, and is aware of the need for significant cleanup, and potential obligations under historic preservation laws.

§1.06 Definitions. For purposes of this Agreement, the following words have the following meanings.

Property means all the real property and personal property described above and in Attachment A, EXCEPT FOR any water rights appurtenant thereto, but otherwise TOGETHER WITH ALL and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining to the real property, and the reversions, remainders, rents, issues and profits thereof, including, without limitation, any rights, title and interest of Seller, if any in and to (i) any strips and gores adjacent to the land and any land lying in the bed of any street, road, avenue, opened or proposed, in front of or adjoining the real property; (ii) all of the easements, including prescriptive rights, profits, privileges, and appurtenances belonging to or in any appertaining to the land, access to the land and improvements; and (iii) all improvements on the real property; and (iv) all contracts and contract rights and all development or zoning entitlements appurtenant to the use of the real property.

Art. 2 SPECIAL TERMS AND CONDITIONS

§2.01 Limitations on use property.

Buyer agrees to use the property only for open space and passive recreation (including but not limited to river access, natural resource management, education and interpretation, fishing, hiking and similar activities) except to the extent to honor easements.

§2.02 Plaque

Seller reserves the right to place a boulder and memorial plaque on site to be determined and coordinated with Buyer. Buyer will not be responsible for replacement of plaque if it is stolen or vandalized while on the property.

Art. 3. AGREEMENT TO PURCHASE AND SELL

§3.01 General. Seller agrees to sell and Buyer agrees to purchase the Property described above, subject to the terms and conditions in this Agreement.

§3.02 Price; Payment of Price: Seller agrees to sell and Buyer agrees to buy the Property for the purchase price as follows.

¶3.02.A **Base Price.** The Base Price shall be as stated in §1.03 above, payable in US Dollars.

¶3.02.B **Credits, Holdbacks and Adjustments.** None.

¶3.02.C **Liens Assumed.** Unless otherwise specified in §1.03, Buyer will neither assume any obligations nor take the Property subject to any liens requiring the payment of money.

¶3.02.D **Allocation of Closing Costs; Apportionment of certain payments.**

1. Buyer and Seller agree to pay closing costs and expenses as provided in §1.03 above.

2. With respect to real estate taxes, as Buyer is a government entity, the Property becomes tax exempt on sale. Seller may apply for a refund of property taxes paid in advance.

3. With respect to those expenses to be pro rated on a daily basis, the total amount of expense paid or to be paid shall be converted to a daily rate and apportioned as of the Closing date.

¶3.02.E Payment of real estate commissions. Except as disclosed in §1.01 above, Seller represents to Buyer that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Seller, or arising out of the actions of Seller. Except as disclosed in §1.01 above, Buyer represents to Seller that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Buyer or arising out of actions of Buyer. Each party shall indemnify and hold the other harmless from all costs, claims, damages, or liability of any kind in connection with the breach of this representation. The representations and indemnities in this paragraph shall survive the closing or earlier termination of this Agreement.

¶3.02.F Payment of Purchase Price. Buyer agrees to pay the purchase price and its share of expenses in the manner provided in §1.03.

§3.03 Seller's Conditions Precedent. In addition to any other conditions stated herein, Seller's obligation to sell the Property is conditioned on the accomplishment of the following requirements to the satisfaction of Seller:

- (i) All of the documents and other items required to be delivered by Buyer to Seller under this Agreement must have been delivered in form and substance reasonably satisfactory to Seller;
- (ii) Buyer must have complied with, fulfilled and performed, in all material respects, each of the covenants, terms, and conditions hereunder to the reasonable satisfaction of Seller
- (iii) Buyer must have paid the purchase price and its share of expenses as provided herein;
- (iv) All of the representations and warranties made by Buyer in this Agreement and in any closing certificate must be true in all material respects as of Closing Date.

Seller may waive any of the foregoing conditions or may close the sale without waiving a condition and seek remedies for breach as provided in §6.04

§3.04 Buyer's Conditions Precedent. Buyer's obligation to purchase the Property is conditioned on the accomplishment of the following requirements to Buyer's satisfaction:

- (i) In its legislative discretion, the Board of County Commissioners of Washoe County must have approved this Agreement, authorized the purchase of the Property, appropriated adequate funds, made all the determinations and findings required by Nevada law, and has not imposed a budget freeze or spending moratorium delaying or postponing capital acquisitions;
- (ii) The acquisition must be authorized and meet all the conditions of Nevada law;
- (iii) Buyer, in its sole discretion, must be satisfied as to the status of title to and condition of and suitability of the Property for its intended use including the fulfillment of all the requirements and conditions stated in this Agreement, including those requirements in §§3.07, 3.08 and 3.09;
- (iv) Seller must have performed all of its requirements under this Agreement;
- (v) All of Seller's representations and warranties must remain true and complete as of Closing;
- (vi) Seller must have delivered into escrow all deeds and supporting documentation necessary to convey complete, marketable and insurable title to all real and personal property being purchased hereunder.

Buyer may waive any of the foregoing conditions or may close the sale without waiving a condition and seek remedies for breach as provided in §6.03

§3.05 Opening of Escrow; Escrow Instructions. Buyer and Seller hereby appoint the title company designated in §1.01 as Escrow Agent and shall execute Escrow Instructions substantially in the form and content as set forth in Attachment C and open escrow not later than the date indicated in §1.04. Either party or a lender may provide supplemental escrow instructions. If there is a conflict between an escrow instruction and any provision in this Agreement, this Agreement shall control unless the escrow instructions are signed by both parties, in which case, the conflicting provisions in the escrow instructions shall be deemed to be a modification to this Agreement.

§3.06 Operation and maintenance of Property before Closing

From the Effective Date of this Agreement until Closing:

¶3.06.A Property Management. Seller shall manage the Property in accordance with Seller's established practices.

¶3.06.B Alterations. Seller shall not materially alter any improvement on or portion of the Property from and after the date it was inspected by the appraiser who established its value pursuant to NRS 244.275 (the "Appraisal Inspection Date"), except for emergency repairs or alterations necessary to protect life, safety or health of occupants or licensees or adjoining property owners.

¶3.06.C Insurance. Seller shall maintain all current policies of public liability, property damage, including risk coverage, and other forms of insurance with the companies and in the amounts that were in effect on the Appraisal Inspection Date with respect to the Property.

¶3.06.D Compliance with laws. With respect to the management of the Property and its general operations, Seller shall comply with all laws.

§3.07 Delivery of Documents; Due Diligence; objections; Notice to Proceed.

¶3.07.A Document Delivery Deadline. Seller shall deliver or cause to be delivered to Buyer not later than the "Document Delivery Deadline" all documents indicated in §1.05 above and as otherwise required herein. If any such document comes into existence or becomes available after the Document Delivery Deadline, Seller shall immediately deliver such document to Buyer and offer to extend the Due Diligence Deadline to give Buyer a reasonable opportunity to examine and document and raise objections.

¶3.07.B Inspections. Buyer has completed all inspections it requires.

¶3.07.C Objections, questions. Seller and Buyer shall meet and confer during the due diligence process and shall, to the extent practical, attempt to work out remedies for objections and requirements which may include credits or adjustments to purchase price or Seller repairs or cures from its own funds or from funds withheld in escrow.

¶3.07.D Due Diligence Deadline; Notice to Proceed. Prior to the Due Diligence Deadline specified in §1.04, Buyer shall complete its due diligence and provide to Seller a Notice to Proceed if Buyer determines, in its sole and absolute discretion, that as of the date of the notice, that conditions listed in §3.04 (i) through (iii) have been met, waived or released and Buyer is ready to proceed to preclosing.

¶3.07.E. Automatic rescission. If Buyer does not timely give Seller the Buyer's Notice to Proceed for any reason, this Agreement shall automatically be deemed rescinded under ¶6.02 except that any fees or expenses are then due and payable to Escrow Agent shall be paid by Buyer.

¶3.07.F Subsequent Actions, Disclosures. If, however, after the Buyer's Notice to Proceed is given and Seller subsequently makes a correction, amendment to any representation or warranty or any disclosure regarding the title or condition of the property, or delivers any document required to be delivered to Buyer, Buyer shall have 10 days to consider the information provided and may rescind the Notice to Proceed.

¶3.07.G Seller Rescission due to condition of title or property If a there is a defect in title or condition of the Property that (i) cannot be remedied by the Closing Deadline or (ii) would require spending more than 25% of the Base Price, Seller shall inform Buyer and may rescind this Agreement but only after providing notice an opportunity to cure as provided in §6.01, and negotiating in good faith toward a remedy that would allow the sale to go through.

§3.08 **Seller's Representations and Warranties.** The representations and warranties included in Attachment B are incorporated herein as if set forth in full and are a part of this Agreement. If, prior to Closing, there occurs a change in the condition of title or the Property or any matter addressed in the Representations and Warranties, Seller shall immediately notify Buyer as to the change, and to offer to extend the deadlines herein to give Buyer a reasonable opportunity to evaluate the change. The representations and warranties survive the termination of this Agreement but only with respect to circumstances and conditions that existed on Closing.

§3.09 Title and Property Requirements

¶3.09.A Title and title Insurance.

1. Title to be Delivered. Upon closing, Seller shall deliver marketable, insurable and complete title in fee simple absolute (unless otherwise agreed in §1.02) to Buyer free of all encumbrances, liens, conditions, reversionary rights or other exceptions to or defects in title except those permitted exceptions agreed upon in this Agreement or the Escrow Instructions. This provision survives closing and does not merge with the Deed.

2. Title Commitment. Buyer has received and reviewed a title insurance commitment.

3. Title Insurance. Seller shall cause Escrow Agent to provide to Buyer the title insurance in the amount of the purchase price as indicated in the Escrow Instructions or supplemental escrow instructions.

¶3.09.B Survey. An ALTA survey is not required.

¶3.09.C Inspections and Investigations. Buyer has completed and received all inspections of the Property it desires. Buyer is aware of the need for significant clean up and of potential historic preservation issues.

¶3.09.D Appraisals. Appraisals must be satisfactory to Buyer, and, if required by law, must be reviewed by an independent appraiser. Except for acquisitions from governmental entities, the Base Price may not exceed the appraised value established by the appraiser appointed by the Board of County Commissioners, per NRS 244.275.

¶3.09.E Zoning and Building Permits. Seller shall provide a copy of all special use permits, conditional map approvals, planned development handbooks, development agreements, and correspondence with the zoning authority regarding permitted uses of the land and/or regulatory restrictions. Seller shall also provide a copy of all certificates of occupancy, building permits, agreements and decisions relating any improvements. Seller shall also provide any notices of violations or other documents relating to noncompliance with zoning or building codes. Buyer must be satisfied that the intended use of the Property is permitted under current zoning and building code laws or that there is a reasonable prospect that such codes may be amended to permit the intended use.

¶3.09.F Entire Premises; Third Party Agreements. Seller shall assign or convey to Buyer all rights and documents held by Seller that were either used in establishing the value of the Property or would be necessary to the operation of the Property for its intended use, including, but not limited to, (i) all easements, prescriptive rights including access to the land, licenses, profits, mineral rights, covenants agreements, choses in action, judgments, and other interests in land that are appurtenant to the Property, or are in gross to Seller but beneficial to the Property; (ii) all water, effluent, and utility service agreements, provided, however, that Buyer must establish its own account and cause a novation to said agreements; (iii) all parking, storage, or other agreements relating to amenities for the Property; (iv) all employment contracts, billboard sign contracts, service agreements, warranties, franchises, trademarks and copyrights (v) all plans and specifications for improvements. If consent is required by a third party, Buyer agrees to use reasonable efforts to obtain such consent. Seller shall also provide statements as to the status of such rights and documents.

¶3.09.G Access to Property, walk through inspections; Buyer indemnifications.

Seller shall grant access to the Property to Buyer and all contractors of Buyer at any reasonable time and upon reasonable notice and Buyer agrees not to unreasonably interfere with the operations of the Property.

¶3.09.H Suitability of Property. Buyer's obligation to purchase the Property is subject to a condition precedent that the Buyer is satisfied, in its sole discretion, that Property is suitable for Buyer's intended purpose.

¶3.09.I Counsel Opinion. If required in §1.05 above, Seller shall provide a form of counsel's opinion substantially in the form and content set forth in Attachment D.

¶3.09.J Closing Certificate. Buyer may require Seller to provide a closing certificate indicating the truth and completeness of all representations and warranties and providing updated information about the Property as of the Closing.

¶3.09, K Condition of Property at closing; AS IS.

1. Unless otherwise agreed in writing, Seller shall deliver the Property in substantially the same condition it was as on the Appraisal Inspection Date, and in accordance with the representations and warranties.

2. If Buyer proceeds to Closing, subject to the foregoing sentence, and unless otherwise agreed, the Property is being sold and accepted AS IS with all its faults.

§3.10 Risk of Loss; Condemnation, damage or destruction.

¶3.10.A Eminent Domain.

1. If proceedings under power of eminent domain are commenced before the Closing Deadline to take any portion of the Property, Seller shall promptly inform Buyer and Buyer may rescind this Agreement in accordance with ¶6.02.A at any time before Closing.

2. If Buyer chooses to go forward with the acquisition, unless otherwise agreed, Buyer may appear in any eminent domain proceedings and the parties shall proceed to closing upon the original terms stated herein and Buyer shall be paid all eminent domain proceeds, except relocation benefits.

¶3.10.B Property Damage or Destruction.

Seller shall bear the risk of loss or damage by casualty (including but not limited to fire, earthquake, landslide, flood, and explosion) to the Property until Closing. If, before

Closing, all or any portion is damaged or destroyed by casualty, Seller shall immediately notify Buyer and Seller shall immediately take steps to protect and preserve the remaining Property. If the destruction of the Property is "material" Buyer may rescind this Agreement. Destruction is "material" if (i) the property is no longer suitable for Buyer's intended use, or (ii) as damaged, the Property would be a nuisance or pose danger to adjacent property owners or persons who go on the Property and/or (iii) the cost of necessary repairs or corrective actions would exceed 5% of the Base Purchase Price.

¶3.10.C Forfeiture. If at any time before Closing an action is commenced to take all or a portion of the Property by forfeiture, Buyer may rescind this Agreement.

¶3.10.D To the extent that the above provisions are inconsistent with the Uniform Vendor and Purchaser Act (NRS 113.030 – 113.050), they are intended to replace the provisions of the Act.

§3.11 Preclosing. Not later than close of business of Escrow Agent on the Preclosing Deadline specified above: (i) Buyer and Seller shall have duly executed and delivered to each other or to the Escrow Agent all the documents listed in the Escrow Instructions or otherwise required or contemplated by this Agreement, including closing certificates and counsel opinions, and each receiving party shall have reviewed and approved the document; (ii) all documents necessary to accomplish any financing of the sale shall have been delivered and approved by the parties; (iii) Escrow Agent shall prepare and deliver to both parties a settlement statement indicating funds received or to be received and allocating such funds to payments to the parties, taxes, assessments, closing expenses, and both parties must approve the settlement statement; and (iv) Seller shall have delivered all documents or agreements required by the Escrow Agent to insure title to extent requested by Buyer; (v) Escrow Agent shall be irrevocably committed to issue or cause to be issued the title insurance required by Buyer and Lender; and the parties shall have inspected all documents presented to them and determined their suitability. At preclosing, the parties shall instruct the Escrow Agent whether or not to close the escrow. If preclosing is not accomplished, the foregoing actions shall be accomplished at closing.

§3.12 Closing

¶3.12.A Closing Conditions. Escrow shall not close until all conditions and provisions stated in §§ 3.03 shall have been met, waived or reserved to Seller's satisfaction and in §3.04 shall have been met, waived, or reserved to the Buyer's satisfaction, and all preclosing requirements in §3.11 shall have occurred.

¶3.12.B Closing. Closing shall occur on the Closing Deadline or other date agreed upon

by the parties or appropriate under the circumstances. Closing shall occur at the offices of Escrow Agent. When that all conditions of closing have been met: (i) Buyer and Seller shall execute and deliver Escrow Agent all documents listed in the Escrow Instructions or otherwise required to complete the intents and purposes of this Agreement, (ii) Buyer and Seller shall deliver into escrow in collected funds the purchase price and all funds necessary to close the sale; (iii) the Escrow Agent shall record and distribute all documents as provided in the Escrow Instructions; and (iv) Escrow Agent shall disburse all funds as provided in the Escrow Instructions and settlement statements approved by both parties. When all the foregoing events have been completed, "Closing" shall have occurred.

§ 3.13 Delays in escrow; failure to close.

¶3.13.A Escrow Agent Delays. Provided that Buyer and Seller shall have accomplished all that has been required of them as indicated in this Agreement, a delay in the settlement or closing caused by Escrow Agent or factors beyond the control of Escrow Agent shall not be considered as a default by Buyer or Seller, and the Closing Deadline shall automatically be extended for a reasonable period of time not to exceed 30 days to close. If escrow does not close within 30 days from Closing Date through no fault of either Seller or Buyer, this agreement shall be deemed automatically rescinded under ¶8.01.A.

¶3.13.B Failure to close. Except as provided next above, if closing does not occur by the Closing Deadline due to the default, actions or inactions of Buyer, Seller may either rescind this agreement under §6.02, or terminate under §6.04.

§3.14 Delivery of Property on closing; title and condition requirements.

¶3.14.A Delivery of Possession. Upon closing, Seller shall deliver possession of the Property on the "Delivery of Possession Date" indicated above together with all keys, codes, and documents necessary for Buyer to obtain and permanently enjoy full exclusive possession and title to the Property.

¶3.14.B Removal of Personal Property. On or before the Delivery of Possession Date, Seller shall remove all personal property belonging to Seller which is not part of the sale. Unless otherwise agreed, all personal property left on the Property on the Delivery of Possession Date shall be presumed to be part of the sale, and title shall pass to Buyer.

§3.15 Absolute Deadline; Automatic Termination. Notwithstanding any other provision in this Agreement, if escrow does not close and if Property is not delivered by the "Automatic Termination Date" specified in §1.04 above, for any reason, this Agreement automatically

terminates under ¶6.02.B. The parties may agree to extend the Automatic Termination Date.

§3.16 Preclosing Premises Liability. If any accident or injury or other grounds for premises liability occurs prior to Closing, Seller shall hold Buyer harmless and shall defend and indemnify Buyer against all claims, losses, judgments and liability (including reasonable attorneys fees and costs of defense) arising from any such injury, accident, or other grounds for premises liability.

Art. 4 TENANTS

§4.01 Rent Roll and Tenant Information Seller represents and warrants that there are no tenants or other persons in lawful possession of any portion of the Property, EXCEPT as disclosed in writing to Buyer. For each tenant, Seller shall provide rent information and a copy of the rental/lease agreement.

§4.02 No new Tenants; Property Management or Leasing Contracts; advanced rents.

¶4.02.A No new Tenants. Seller agrees not to rent, lease, or otherwise allow any new Tenants to obtain lawful possession of any portion of the Property before or after Closing. Damages for breach of this provision may include the cost of termination of any such arrangement and relocation of such Tenants.

¶4.02.B No new Property Management Contracts. Until this Agreement is closed, rescinded, or terminated, Seller shall not enter into any new property management agreements or leasing agreements, but may renew such agreements that were in force on the "County Approval Date" specified above provided that such renewed agreement may be terminated without penalty by Buyer.

¶4.02.C No advance rents. Seller shall not collect or allow any property manager or leasing agent to collect rent for more than one month in advance.

Art. 5 BUYERS WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS.

§5.01 General. Buyer represents and warrants as follows, and agrees that these representations and warranties survive the termination of this agreement.

- (i) That Buyer is duly organized as a political subdivision of the State of Nevada.

- (ii) Each person who signs this Agreement as a representative of Buyer by signing below, individually warrants and represents to Seller that he or she is has taken all steps obtain the actual authority to execute this agreement and all documents necessary to carry out its purposes and therefore is duly authorized to execute this agreement, and that his or her signature constitutes a binding agreement on the Buyer.

Art. 6 RESCISSION, TERMINATION, DEFAULT & REMEDIES.

§6.01 Notice and Opportunity to cure.

¶6.01.A Notice. If a party believes that a breach, default or failure of a condition precedent under this Agreement has occurred (hereafter referred to as an “offense”), before rescinding or terminating this Agreement, the party shall give written notice to the other party of the offense and what would be required to cure the offense.

¶6.01.B Cure period. The curing party shall have ten working days to cure the offense. If the curing party has commenced and is diligently pursuing a cure for the offense, the parties may agree to an extension of the cure period.

¶6.01.C Review period. The notifying party shall have ten working days to review the cure and provide notice of acceptance or non-acceptance of the cure.

¶6.01.D Extension of Deadline. If the cure period or review period as provided above extends beyond the Due Diligence, Preclosing or Closing Deadline, such deadline shall be automatically extended to the end of the review period.

§6.02 Rescission, Termination of Agreement.

¶6.02.A Rescission Upon first giving notice and opportunity to cure as provided in §6.01, a party may rescind this Agreement if there is a material failure of a condition precedent to its obligation or as otherwise stated herein. A party shall provide a written notice of rescission to the other party as provided in §7.04 and to the Escrow Agent. In the event of a rescission or automatic rescission (as provided herein), unless otherwise specified herein or agreed in writing, (i) all future or executory obligations are discharged; (ii) each party shall bear its own expenses; (iii) if there are any escrow fees due at the time of the rescission, the rescinding party shall pay them, or if the rescission is automatic, escrow fees and costs shall be paid as allocated in §1.03 above; (iv) unless otherwise provided herein, all funds deposited in escrow shall be returned to the party that paid the funds; and (v) neither party shall be further liable or obligated to the other

as if this Agreement never existed.

¶6.02.B Termination. Upon first giving notice and an opportunity to cure as provided in §6.01, a party may terminate this Agreement if there is a default by the other party by providing written notice in the manner prescribed in §7.04. Except as may otherwise be provided herein, in the event of an automatic termination, as provided herein, or a termination of this Agreement by a party as a result of a default by the other party (i) each party shall bear its own expenses (subject to possible recovery or reimbursement as damages); (ii) if there are any escrow fees due at the time of the rescission, such fees shall be paid in accordance with the agreement in §1.03, (but subject to possible recovery or reimbursement as damages); (iii) unless otherwise provided herein, all funds deposited in escrow shall be returned to the party that paid the funds, provided, however, that if there is a dispute regarding who is entitled to the funds, the parties may agree (without prejudice to any remedies or allegations) to have the Escrow Agent to hold the funds in dispute until joint instructions are executed and delivered to Escrow Agent, or Escrow Agent may interplead the funds in dispute (less reasonable attorneys fees and costs of the interpleader); (iv) the parties shall have no further obligations or liabilities to each other except those provisions herein which are expressly agreed upon to survive the termination hereof; and (v) parties may pursue remedies due to default or pre-termination obligations.

§6.03 Default or breach by Seller.

¶6.03.A If, without excuse or discharge, Seller fails or refuses to deliver documents or funds into escrow as provided herein or to close escrow or otherwise sell the property to Buyer, then upon giving notice and opportunity to cure as provided in §6.01, then, in addition to other remedies afforded herein or by law, Buyer may pursue an action for specific performance.

¶6.03.B If Seller breaches or fails to perform any obligation herein or there occurs a breach of any representation or warranty or other terms of this Agreement by Seller, Buyer shall first give notice and opportunity to cure as provided in §6.01 and if the offense is not cured within the time frame therein may pursue any of the following remedies: (i) terminate this Agreement under §6.02.B, (ii) bring an action for damages, (iii) pursue any other remedy afforded by applicable law without further notice or demand.

§6.04 Default by Buyer.

¶6.04.A Except as provided in §6.03.B, if there occurs a breach of any obligation, covenant, agreement or undertaking, representation or warranty by Buyer, Seller shall first give notice and an opportunity to cure as provided in §6.01 and thereafter may (i) terminate this agreement (ii) demand payment of any Earnest Money from the Escrow Agent; (iii) bring an

action for damages and (iv) pursue any other remedy afforded by applicable law.

¶6.04.B If, without excuse or discharge, Buyer refuses or fails to deliver documents or funds into escrow as specified herein or otherwise to buy the Property, and if this Agreement provides for the retention of any Ernest Money Deposits as liquidated damages, Seller shall, after giving notice and opportunity to cure as provided in §6.01, terminate this Agreement and demand payment of the Ernest Money Deposit from the Escrow Agent and upon receipt shall have no further recourse or remedy. Buyer agrees to execute escrow instructions to release the Ernest Money to Seller.

¶6.04.C Pursuant to NRS 244.250, claims against Buyer must be presented to the board of County Commissioners within six months from the time such claims or accounts become due or payable.

§6.05 Waivers Failure or delay in giving notice of default shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or pursue any remedies. Waivers are binding on a party only if expressed in writing signed by an authorized officer of the waiving party.

§6.06 Remedies cumulative. Except as otherwise expressly provided in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by a party of any one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by another party as provided in this Agreement or applicable law.

Art. 7 GENERAL TERMS.

§7.01 Time frames and deadlines: The parties agree to accomplish the actions within the time frames or deadlines stated above. Time is of the essence in the performance of the obligations in this Agreement. Unless otherwise specified: (i) the term “days” means calendar days (ii) if a deadline falls on a weekend or holiday, then performance is due on the next following business day of the recipient of the performance, and (iii) performance is due by 5 p.m. on the day of deadline. If a specific timing provision (e.g. ten days to review title report) would expire beyond the Due Diligence Deadline, the parties may agree to extend the Due Diligence Deadline to accommodate performance.

§7.02 Assignment, binding effect. No rights may be assigned or duties delegated hereunder by any party without the consent of the other party. Subject to the foregoing, this Agreement shall be binding on the heirs, successors, trustees, representatives and permitted assigns of the parties.

§7.03 Standards for approvals; Further acts and assurances.

¶7.03.A Unless otherwise specified (such as with the words "sole discretion") wherever this Agreement requires the approval of a party, or any of a party's officers, agents or employees, such approval shall not be unreasonably withheld delayed or conditioned.

¶7.03.B The Board of County Commissioners of Washoe County is a governmental body whose decisions are legislative functions that may be subject to public hearings and input, and, except as otherwise provided herein, shall have sole and absolute discretion to approve or disapprove any matter submitted to them provided, however, that decisions are not procured by fraud or bribery, or are arbitrary, capricious or an abuse of discretion.

¶7.03.C Each party agrees to take all reasonable actions and enter into, execute and deliver all documents reasonably required by the other party to document and accomplish the sale as contemplated herein and carry out the terms of this Agreement. This provision survives the termination of this Agreement.

§7.04 Notices Notices hereunder must be in writing which shall be mailed or personally delivered to each party at the address specified above. Notice is deemed received by the other party when (i) actually received if sent by first class mail or personally delivered, or (ii) three business days after delivered to and accepted by the U.S. Postal Service if sent by certified or registered mail. Failure to provide the copies of notices as set forth herein does not affect the validity of notices to parties.

§7.05 Severability; no merger with deed In the event that any word, clause, or provision herein is declared by a court of competent jurisdiction to be invalid, unenforceable, or contrary to public policy, then such offending provision shall be deemed, from the very beginning, to have been modified to the extent to bring it within the limits of validity or enforceability. If, however, such offending provision cannot be so modified, then it shall be severed from this agreement. In either event (modification or severance), all remaining words, phrases, clauses and provisions herein remain fully enforceable. This Agreement does not merge with any deed or other conveyance of any portion of the Property.

§7.06 Applicable law; jurisdiction. The interpretation and enforcement of this agreement shall be governed by the laws of Nevada. Actions to enforce this Agreement shall be brought in the Second Judicial District Court in and for Washoe County, Nevada.

§7.07 Attorney's Fees. If either party brings any action or proceeding (including arbitration, mediation or other alternative dispute resolution) to enforce the provisions of this agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs as determined to be just under the circumstances by the Court or arbitrator.

§7.08 Counterparts. This Agreement may be executed in counterparts, and becomes binding when the last party has executed its counterpart and delivered an original signature page to the other.

§7.09 Recording. This Agreement shall not be recorded. If desired by any party, a notice of agreement describing the Property and indicating that it is the subject of a purchase agreement and where a copy may be obtained shall be prepared, executed by Seller, and recorded.

§7.10 Interpretation of this Agreement.

¶7.10.A Titles and headlines of this agreement are intended for editorial convenience and are not to be construed as a part of this agreement. Any incorrect reference to a section or paragraph number shall be deemed to refer to the correct number.

¶7.10.B The word "include" or "including" is not intended as a limitation and shall be construed to include the words "but not limited to." Unless otherwise specified, the word "herein" means anywhere in this Agreement or the attachments.

¶7.10.C Any reference to the masculine genders includes, where appropriate in the context, the feminine gender. Any term in the singular includes, where appropriate in the context, the plural. Any reference to a document or law includes any amendments and modifications.

¶7.10.D The Parties hereto were each advised by counsel in drafting and negotiating this agreement, and each Party contributed to its contents. No presumptions against or in favor of any party are appropriate based on who drafted this Agreement or any provision herein.

§7.11 Entire Agreement; effective date; modification; authorized parties.

¶7.11.A Effective Date. This Agreement shall be effective on the date it is duly executed by all of the parties.

¶7.11.B Entire Agreement. The parties agree that this Agreement, together with its attachments, contains the entire agreement of the parties and supersedes any written or oral representations, promises, warranties, or other undertakings regarding the Property or its sale.

¶7.11.C Modification. This agreement may not be modified or amended and no waivers are effective unless expressed in writing and duly signed by the party to be bound by the modification, amendment or waiver.

¶7.11.D Authorized Parties. The "Authorized Party" designated above shall have the authority to execute all deeds, escrow instructions, notices and other instruments necessary to effectuate the purposes of this Agreement, and to accept all performances, enter into all modifications or amendments to this Agreement, EXCEPT THAT the Authorized Party for Buyer may not authorize any increase in the Base Price (regardless of amount), or may not agree to any expense or proration in excess of \$50,000 without first obtaining approval of the Board of County Commissioners of Washoe County.

Attachments

- A Property Description
- B Representations and Warranties
- C Form of Escrow Instructions
- D Form of Attorney Opinion

EXECUTED on the dates indicated on the attached Counterpart signature pages.

////////////////////////////////////Nothing follows on this page////////////////////////////////////

Real Property Purchase and Sale Agreement

Counterpart Signature Page

Buyer

WASHOE COUNTY, a political subdivision of the State of Nevada,

By _____ Date _____
Marsha Berkgigler, Chairwoman
Board of County Commissioners

Attest:

By _____ Date _____
Nancy Parent, County Clerk

Approved as to Form and Legality:
CHRISTOPHER HICKS
District Attorney

By _____ Date _____
Michael Large, Deputy District Attorney

Real Property Purchase and Sale Agreement

Counterpart Signature Page

Seller

JoAnne Silvia Grasso
JoAnne Silvia Grasso, Trustee under the Carcione
Family Revocable Living Trust dated
June 16, 1992

Date 2-10-2015

Karen Jennifer Loing
Karen Jennifer Loing, Trustee under the Carcione
Family Revocable Living Trust dated
June 16, 1992

Date 2.12.15

State of Nevada)
County of Washoe)

Acknowledgement in Representative Capacity
(NRS 240.1665)

This instrument was acknowledged before me on February 10, 2015
by JOANNE SILVIA GRASSO as Trustee under the Carcione Family Revocable Living Trust
dated June 16, 1992.

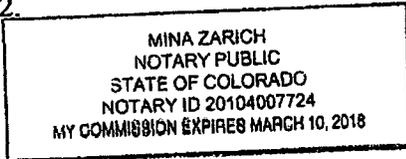


Joanna Schultz
Notary Public

State of COLORADO)
County of BOULDER)

Acknowledgement in Representative Capacity
(NRS 240.1665)

This instrument was acknowledged before me on February 12, 2015
by KAREN JENNIFER LOING as Trustee under the Carcione Family Revocable Living Trust
dated June 16, 1992.



Mina Zarich
Notary Public

Attachment A

Bounds Legal Description

All that real property situate within the County of Washoe, State of Nevada, lying within the Northeast One-Quarter of Section Fourteen, Township Nineteen North, Range Eighteen East, MDM, being more particularly described as follows;

Parcel 1

APN 038-150-18 (February 27, 2014)

Those lands bounded to the South and West by Lot 1 Survey Map No. 2959, File No. 1948225, filed in the office of the Washoe County Recorder on December 7, 1995, to the North along the Southerly line of the Union Pacific Railroad and to the East by the Westerly Ordinary High Water Line of the Truckee River.

Containing an area of 21.35 acres more or less.

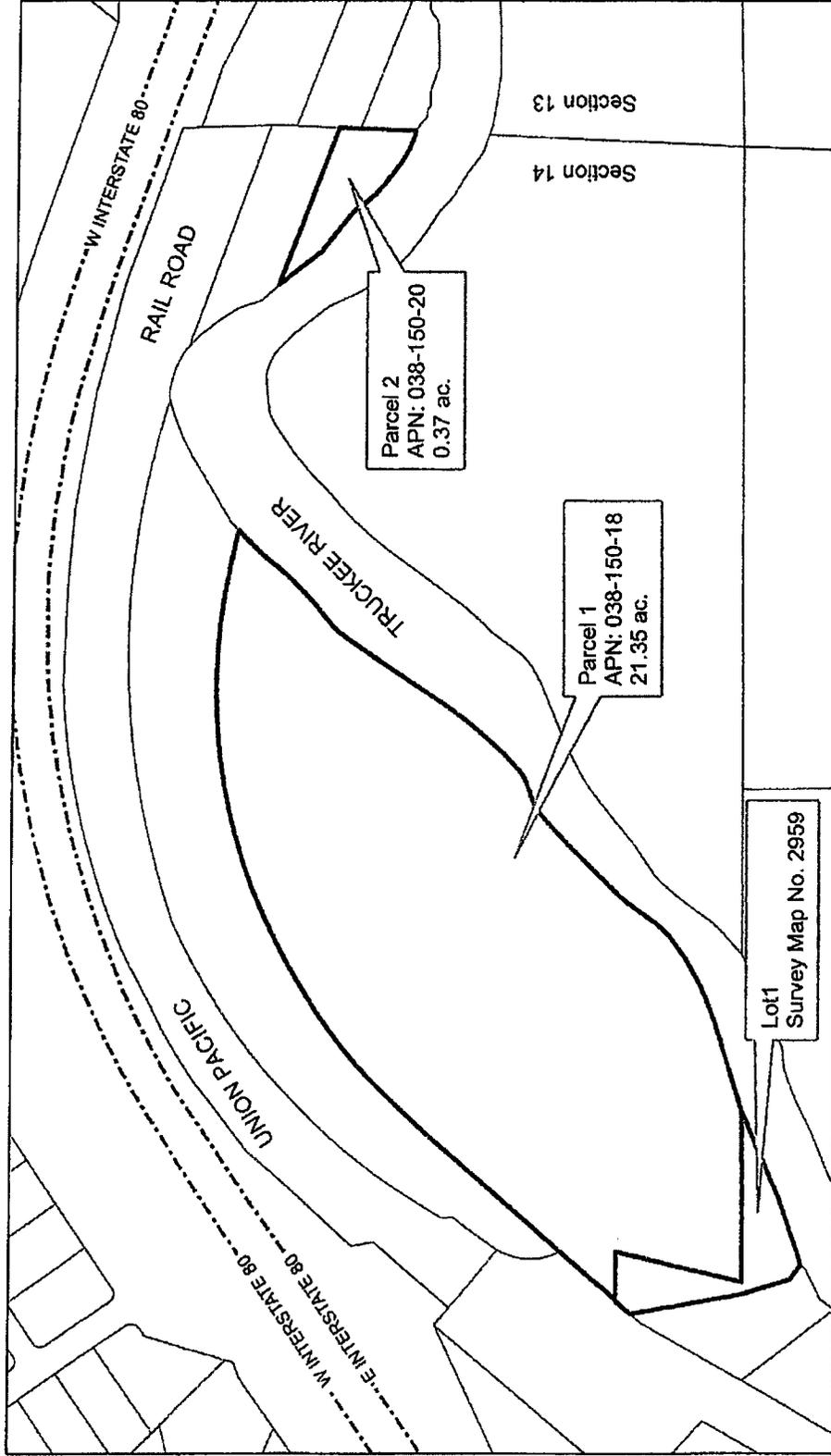
Parcel 2

APN 038-150-20 (February 27, 2014)

Those lands bounded to the West by Easterly Ordinary High Water Line of the Truckee River, to the North along the Southerly line of the Union Pacific Railroad and to the East by the Easterly Section Line of said Section Fourteen.

Containing an area of 0.37 acres more or less.

**Prepared By:
Washoe County, Community Services Department
1001 East Ninth St.
Reno, NV 89512**



CARCIONE FAMILY TRUST - TRUCKEE RIVER
VICINITY MAP
Township 19 North, Range 18 East

(Rev. 2-10-2015)

Real Property Purchase and Sale Agreement

Attachment B

OWNER'S REPRESENTATIONS AND WARRANTIES

Property Information

Description	See Attachment A to Agreement.
APN	038-150-18 and 013-150-20
Address	10195 Mogul Road, Reno, Nevada.
Owner acquired title by	Grant Deed recorded as Document 1583525 in Book 3511 at Page 0896, in Official Records of Washoe County, Nevada
Master Plan Land use designation	General Rural and Open Space
Zoning	Parks and Recreation and General Rural (Washoe County)
Special use permit	None
Access	Owner is not aware of whether the dirt road leading to the Property provides legal access but would testify as to its continuous use and provided Washoe County and Ticor Title copies of a Private Roadway Agreement between Sal Carson aka. Sal Carcione and Union Pacific Railroad Company.
Utilities	Water, septic, sewer interceptor and electrical are available on site; however, there are no current accounts for any active utilities on the property.
Water rights deed(s)	No water rights are included in this sale.
Flood zone	Zone X
Seller's legal status	Revocable Family Trust.
Buyer's Intended Use	Open Space with possible trailhead and dirt trails.

Exceptions to the following:

#	No exceptions noted.
---	----------------------

Except as otherwise disclosed above or otherwise in writing to Buyer, the undersigned Owner represents, warrants and agrees as follows, and agrees that these undertakings survive any inspection or investigation of the Property and shall not merge with delivery of the deed and shall survive the closing or termination of this agreement.

1. Marketable title.

a. Owner acquired title by the document described above, and there have been no amendments or corrections to that document.

b. There are no contracts of sale, installment sale contracts, or options for the sale of all or any part of the Property to which Owner is a party and which remain in effect, except to Buyer.

c. Except (i) as disclosed on the preliminary title report or title insurance binder provided to Buyer by Escrow Agent, or (ii) otherwise disclosed in writing to and approved by Buyer, or (iii) as is actually known to Buyer, Owner holds and will convey good and marketable title to Buyer without encumbrances, liens, restrictions, covenants, conditions, rights of redemption, or other title exceptions.

d. Owner has been in continuous possession and ownership of the Property since it acquired title. There are no adverse possession rights, and there are no tenants or persons in possession of any part of the Property.

e. There are no leases, rental contracts, billboard contracts, contracts of employment, management contracts, maintenance contracts, service contracts, or supply contracts which affect any portion of the Property that will survive the closing.

f. All improvements and materials supplied to the Property have been paid for in full and Owner has no knowledge of any disputes or possible mechanics liens against the Property.

g. Except those of public record, Owner has not been informed of and is not aware of any pending liens, charges or assessments to be asserted against the Property by any governmental authority.

h. Owner is not aware of any boundary line disputes with adjacent property owners, and is not aware whether any improvement on the Property encroaches on any property owned by other parties.

2. Condition of Property. To the best of Owner's knowledge:

a. No part of the Property has been damaged by chemical, biological or radiological contamination while Owner was in possession, and Owner is not aware of any such damage under previous ownership.

b. Owner has not received any soils analyses or reports and has no actual knowledge of any soil condition on the Property which would impair Buyer's ability to use the Property for buyer's intended use as stated above.

c. Owner has received no reports or complaints which would indicate the presence of Radon gas on the Property.

d. Owner has no actual knowledge of any natural or artificial dangerous conditions upon the Property that constitute safety hazards to the tenants or persons who go on to the property.

3. Access & Utilities.

a. That physical access to the Property is provided by a dirt road which has been in continuous use for many years, but Owner is not aware of whether or not the road provides legal access.

b. There are no utilities available to the Property except as disclosed above.

4. Land Use and compliance with property restrictions.

a. Except as disclosed in the preliminary title report and title insurance issued in connection with this transaction, Owner has not consented to any limitations that run with the land and knows of no limitations (other than zoning restrictions) which would require Buyer to obtain any permission or approval to use the Property. Limitations includes any covenants, conditions, restrictions, agreements, promises, statements or representations made to neighbors or community interest associations.

b. The Property is zoned and master planned as indicated above and no improvements have been constructed on the Property that would be inconsistent with the zoning.

c. Owner has not conveyed or promised to convey any development rights, density credits, or other rights or privileges that would impair Buyer's ability to construct improvements or otherwise use the Property consistent with the zoning and master plan designations for the Property.

d. Owner has no knowledge of any proposed land use changes by adjacent landowners that would have a material adverse impact on the value or intended use of the Property by Buyer.

e. Owner has not altered any drainage slopes, facilities, improvements, features or requirements in violation of any map (i.e. parcel or subdivision map), easement, covenant, condition, restriction, planned development handbook, development agreement, or other document governing the use of the Property.

f. Owner has not operated or used the Property in violation of any easement, covenant, condition, restriction, planned development handbook, development agreement, or other document governing the use of the Property.

g. No improvement on the Property is listed in any register of historic places.

5. No actions involving Property.

a. There is no pending or (to the best of Owner's knowledge) threatened litigation or regulatory actions (including actions involving environmental, health, or zoning matters) regarding the Property. The Property is not the subject of any foreclosure or deed in lieu of foreclosure.

b. There are no attachments, executions, assignments for the benefit of creditors, receiverships, conservatorship or voluntary or involuntary proceedings in bankruptcy or pursuant to any other debtor relief laws contemplated or filed by Seller or pending against Seller or the Property.

6. Environmental. Subject to exceptions stated above:

a. Except as otherwise indicated in any Environmental Assessment reports obtained by Buyer or otherwise disclosed to Buyer below, or as actually known to Buyer, Owner has, during the time that Owner has been in possession of the Property complied with all Environmental Laws and has not released any Hazardous Substances on the Property.

b. There are no investigations or regulatory actions pending against Owner for violation of Environmental Laws with respect to any property owned by Owner that could lead to the imposition of liens on the Property.

c. Owner, and has no actual knowledge of any Hazardous Substance on or about the Property, and has done no investigations.

e. **Environmental Laws** means all city or county ordinances, all federal or state statutes relating to the protection of health, safety and the indoor or outdoor environment; the conservation, management or use of natural resources and wildlife; the protection or use of surface water or ground water; or the management, manufacture, possession, presence, use, generation, transportation, treatment of Hazardous Substances, including but not limited to the laws identified in NRS 40.504 as those laws are amended from time to time. **Hazardous Substance** has the meaning set out in NRS 40.504 as now existing or hereafter amended, and includes, without limitation, asbestos, polychlorinated biphenyls and petroleum. **Release** has the meaning ascribed in NRS 40.505.

f. Except as provided below, and to the fullest extent permitted by law, and regardless of whether or not there has been a breach of the foregoing warranty, Owner shall

indemnify, hold harmless and defend Indemnified Parties from and against all liability caused in whole or in part by the release of Hazardous Substances on the Property which existed on the date of closing, if the release or discharge of the Hazardous Substance was caused by Owner. Indemnified parties includes Buyer, its officers, employees, agents and contractors, successors and assigns. Liability includes all fines and penalties, clean up costs, claims, actions, damages, losses, judgments, injuries, costs and expenses, including but not limited to attorneys fees and costs, including those related to bodily injury, sickness, disease or death or to injury to destruction of tangible property.

7. Water rights. Intentionally deleted. Water rights are not included in this sale.

8. Flood Zone

a. The property is designated as stated above on the most current Flood Insurance Rate Map issued by the Federal Emergency Management Authority.

b. Owner is not aware of any applications for map revision or any proposed changes to said Flood Insurance Rate Map that would change the designation set forth above.

9. Nonforeign status.

a. Owner is not a nonresident alien, a foreign corporation, a foreign partnership, a foreign trust or a foreign estate for the purposes of federal income taxation. If required, Owner agrees to complete an IRS Form 8828 U.S. Withholding Tax Return for Dispositions by Foreign Persons of U.S. Real Property Interests.

b. The Property is not agricultural land and seller is not a foreign person within the meaning of the Agricultural Foreign Investment Disclosure Act of 1978, 7 USC ● 3501 et seq.

10. Organizational/Financial matters.

a. Owner is not insolvent within the meaning of NRS 112.160, and is not selling the Property in this transaction with the intent to hinder, delay or defraud any creditor.

b. Owner is an individual or is duly organized as an entity (corporation, limited liability company, partnership etc) as indicated above and is in good standing and is duly authorized to transact business in the State of Nevada, and all actions have been taken under the Owner's organizational documents (Articles of Incorporation, Operating Agreement, Partnership Agreement or the like) to authorize this sale and execute the required deeds and documents.

c. All federal and state income, estate and other taxes are or will be paid current and no proceedings have been instituted to impose a tax lien on the Property and water rights being conveyed under the Agreement.

11. Rent Roll. (Intentionally Deleted.)

12. Family Trust Matters. With respect to the Family Trust:

a. Attached is a true, correct and complete copy of the Trust Instrument creating the Family Trust. The Family Trust has not been revoked and the Instrument is in full force and effect and has been duly recorded or filed as required by applicable law.

b. Each of the undersigned has been duly appointed and validly serves as a trustee with full power and authority to act as a trustee.

c. That, when acting jointly, the trustees have full power and authority to execute and carry out the provisions of the Purchase and Sale Agreement.

d. That the execution and performance under the Purchase and Sale Agreement does not violate any provision in the Trust Agreement or any fiduciary duty of the trustees thereunder, or any agreement or other obligation of the trust.

e. The statements made in the attached Notification by Trustee (Probate Code §16061.7) are true and complete.

f. No actions have been commenced alleging any irregularities in establishment or the administration of the above named Family Trust, or challenging the conveyance of the Property into said trust, or challenging the conveyance of the Property to Buyer as contemplated by the Agreement.

g. All federal and state income, estate and other taxes are or will be paid current and no proceedings have been instituted to impose a tax lien on the Property being conveyed under the Agreement.

Attachments:

- Amendment (dated November 17, 2006) to Carcione Family Revocable Living Trust dated June 16, 1992.
- Notification by Trustee (California Probate Code §16061.7)

Seller

Joanne Silvia Grasso
Joanne Silvia Grasso, Trustee under the Carcione
Family Revocable Living Trust dated
June 16, 1992

Date 2-10-2015

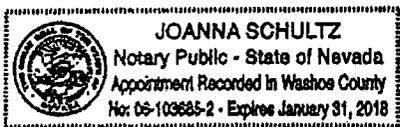
Karen Jennifer Loing
Karen Jennifer Loing, Trustee under the Carcione
Family Revocable Living Trust dated June 16, 1992

Date 2.12.15

State of NEVADA)
County of WASHOE)

Acknowledgement in Representative Capacity
(NRS 240.1665)

This instrument was acknowledged before me on February 10, 2015
by JOANNE SILVIA GRASSO as Trustee under the Carcione Family Revocable Living Trust
dated June 16, 1992.



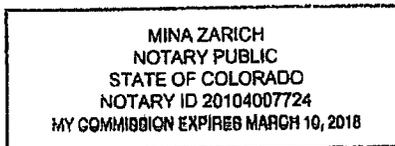
Joanna Schultz
Notary Public

State of COLORADO)
County of BOULDER)

Acknowledgement in Representative Capacity
(NRS 240.1665)

This instrument was acknowledged before me on FEBRUARY 12, 2015
by KAREN JENNIFER LOING as Trustee under the Carcione Family Revocable Living Trust
dated June 16, 1992.

Mina Zarich
Notary Public



AMENDMENT TO CARCIONE FAMILY REVOCABLE LIVING TRUST
DATED JUNE 16, 1992

WHEREAS, SALVATORE CARCIONE, aka SAL JOSEPH CARSON, aka SAL CARSON and MARY KATHLEEN CARCIONE, aka KATHLEEN MARY CARCIONE, aka KATHLEEN CARSON, as Trustors and Trustees, have entered into a Trust Agreement dated June 16, 1992, and

WHEREAS, said Agreement reserves in Trustors the power to amend the terms of the Trust, and

WHEREAS, said Trustors desire to amend said Trust Agreement, THEREFORE, Trustors amend said Agreement in its entirety as follows:

ARTICLE ONE

SALVATORE CARCIONE and MARY KATHLEEN CARCIONE (called the Trustees) declare that SALVATORE CARCIONE and MARY KATHLEEN CARCIONE (called the settlors and sometimes referred to as husband and wife) have transferred and delivered to the trustee, without consideration, the property described in Schedule A attached to this instrument.

ARTICLE TWO

All property subject to this instrument from time to time including the property listed in Schedule A is referred to as the

surviving spouse.

If this instrument is revoked with respect to all or a major portion of the assets subject to the instrument, the trustees shall be entitled to retain sufficient assets reasonably to secure payment of liabilities the trustees have lawfully incurred in administering the trust, including trustees' fees that have been earned, unless the settlors indemnify the trustees against loss or expense.

Revocation and amendment shall be made in the manner herein provided.

ARTICLE TEN

A. All of the trustees named herein shall have the full power to sell, borrow, encumber, convey, exchange, invest, reinvest, partition, divide, improve, and repair the property constituting the trust estate from time to time, and the trustees shall have all powers conferred on the trustees by law and all powers contained in California Probate Code Section 16200 et seq. and any successor statute. The enumeration of certain powers in this instrument shall not limit the trustees' general powers, and they shall have all the rights, powers, and privileges that an absolute owner of the same property would have, subject to their fiduciary obligations and to any limitations stated elsewhere in this instrument.

investigation and without incurring any liability to any person claiming or having an interest in the trust.

ARTICLE FOURTEEN

The trusts created in this instrument may be referred to collectively as the CARCIONE FAMILY REVOCABLE LIVING TRUST.

Executed at San Francisco, California on November 17, 2006.

Salvatore Carcione
SALVATORE CARCIONE
Trustee

Mary Kathleen Carcione
MARY KATHLEEN CARCIONE
Trustee

We certify that we have read the foregoing declaration of trust and that it correctly states the terms and conditions under which the trust estate is to be held, managed, and disposed of by the trustees. We approve the declaration of trust in all particulars and request that the trustees execute it.

DATED:

Salvatore Carcione
SALVATORE CARCIONE
Settlor

Mary Kathleen Carcione
MARY KATHLEEN CARCIONE
Settlor

CARCIONE FAMILY REVOCABLE LIVING TRUST

We, SALVATORE CARCIONE also known as SAL JOSEPH CARSON, also known as SAL CARSON and MARY KATHLEEN CARCIONE also known as KATHLEEN MARY CARCIONE, also known as KATHLEEN CARSON of Contra Costa County, California, herein called "Trustors" hereby transfer to SALVATORE CARCIONE and MARY KATHLEEN CARCIONE as Trustees, all of the property described in "Exhibit A" attached hereto to constitute together with any other property that may become subject to this declaration of trust, the Trust Estate, to be held, administered and distributed by the Trustees as provided in this declaration of trust.

We hereby declare that we are husband and wife and that we have three (3) children, all of whom are adults, the issue of our marriage, to wit: KATHLEEN LORETTA CARCIONE, presently residing in San Rafael, California; JOANNE SILVIA GRASSO, presently residing in Lafayette, California; and KAREN JENNIFER LOING, presently residing in San Rafael, California. We do hereby further declare that all of our estate is community property, and shall retain that character even as part of the Trust Estate, and shall remain community property even if hereafter withdrawn from this Trust.

I. RIGHTS RESERVED TO THE TRUSTORS

A. Additions to Trust.

The Trustors shall have the right at any time either during their life or by Will upon their death, to add other property acceptable to the Trustees to the trust created by this declaration and such property when received and accepted by the Trustees shall become part of the Trust Estate of this trust.

B. Power to Change or Revoke the Trust.

While both Trustors are living, they may at any time and from time to time by written notice signed by said Trustors

TRUST CERTIFICATION
(California Probate Code § 18100.5)

AFFIDAVIT OF TRUSTEE

We, as Trustees of the CARCIONE FAMILY REVOCABLE LIVING TRUST, having been first duly sworn, do hereby declare and certify that:

1. The Trust which is the subject of this Certification of Trust is known as the:

CARCIONE FAMILY REVOCABLE LIVING TRUST dated June 16, 1992
2. The CARCIONE FAMILY REVOCABLE LIVING TRUST (the "Trust") was established by SALVATORE CARCIONE and MARY KATHLEEN CARCIONE, as Trustors. See Exhibit "A" attached hereto and incorporated herein by reference.
3. This Certification is a true and correct representation of the terms of the Trust.
4. SALVATORE CARCIONE died on October 19, 2007, as evidenced by the certified death certificate attached hereto as Exhibit "B". MARY KATHLEEN CARCIONE died on September 3, 2014, as evidenced by the certified death certificate attached hereto as Exhibit "C".
5. Under the terms of the Trust, upon MARY KATHLEEN CARCIONE's death, JOANNE SILVIA GRASSO and KAREN JENNIFER LOING are nominated to serve as Trustees. Pursuant to the terms of the subject Trust, JOANNE SILVIA GRASSO and KAREN JENNIFER LOING have agreed to serve as Trustees and are now currently acting in that capacity. Attached to this Trust Certification and incorporated in it is a true and correct copy of the portion of the Trust instrument that provides that , JOANNE SILVIA GRASSO and KAREN JENNIFER LOING are the Trustees named to serve upon the Trustors' deaths. See Exhibit "D" and Exhibit "E" attached hereto and incorporated herein.
6. The Trust is not of record in any court of law and has not been recorded in the real property records of any county.
7. Attached to this Certification of Trust as Exhibit "F", and incorporated herein, are selected provisions of the Trust evidencing the powers of the Trustee.
8. The Trust became irrevocable and non-amendable at MARY KATHLEEN CARCIONE's death.
9. The Federal Employee Identification Number of the Trust is: 47-6485307
10. Title to assets of this Trust should be taken as:

JOANNE SILVIA GRASSO and KAREN JENNIFER LOING, Trustees of the CARCIONE FAMILY REVOCABLE LIVING TRUST dated June 16, 1992.

11. The Trust has not been revoked, modified or amended in any manner that would cause the representations contained in this Trust Certification to be incorrect.
12. This Certification is intended to serve as a "Certification of Trust" under the California Probate Code §18100.5, as amended from time to time. Its purpose is to certify the existence of the Trust, the identity and powers of the Trustees, the manner of taking title to assets, and to summarize some of the more important provisions of the Trust so that the Trustees can deal with third parties, such as financial institutions, stock transfer agents, brokerage houses, title companies, insurance companies, and others, without disclosing the entire Trust, which is a private and confidential document.
13. All third parties dealing with the Trustees may rely on this Trust Certification as a true statement of the provisions of the Trust described herein as of the date this Certification of Trust is presented to such third party (regardless of the date of execution of this Certification), unless the third party has actual knowledge that the representations contained herein are incorrect. The Trustees are expressly authorized to sue a third party who fails to rely on this Certification and demand damages for such non-reliance.
14. This Trust Certification is being signed by all of the currently acting Trustees of the Trust.

I declare and certify under penalty of perjury pursuant to the laws of the State of California that I have read the foregoing Certification of Trust and that it is correct in all respects.

Dated: 9/12/14

Joanne Silvia Grasso
JOANNE SILVIA GRASSO, Trustee

State of California)
County of Plumas)

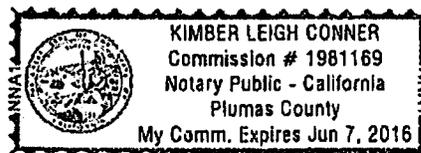
Subscribed and sworn (or affirmed) before me this 12th day of September, 2014, by JOANNE SILVIA GRASSO, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Kimber Leigh Conner

Notary Public

Commission No.: 1991169

Commission Expires: 6/7/16



I declare and certify under penalty of perjury pursuant to the laws of the State of California that I have read the foregoing Certification of Trust and that it is correct in all respects.

Dated: Sept 18' 2014

Karen Jennifer Loing
KAREN JENNIFER LOING, Trustee

State of Colorado)
County of Boulder)

Subscribed and sworn (or affirmed) before me this 18th day of SEPTEMBER, 2014, by KAREN JENNIFER LOING, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

David A. Mostek
Notary Public
Commission No.: 20134036414
Commission Expires: 06/10/2017

DAVID A MOSTEK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134036414
MY COMMISSION EXPIRES JUNE 10, 2017

ACCEPTANCE BY NOMINATED TRUSTEE

CARCIONE FAMILY REVOCABLE LIVING TRUST,
under Declaration of Trust dated June 16, 1992

I, JOANNE SILVIA GRASSO, having been nominated to serve as Successor Trustee of the CARCIONE FAMILY REVOCABLE LIVING TRUST, under Declaration of Trust dated June 16, 1992, as amended, hereby ACCEPT such nomination to serve as Trustee of the Trust.

Executed this 21 day of July, 2014, at Truckee, California.

Joanne Silvia Grasso
JOANNE SILVIA GRASSO

State of California)
County of)

On JULY 21, 2014, before me, MELINDA SMITH, Notary Public, personally appeared JOANNE SILVIA GRASSO, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

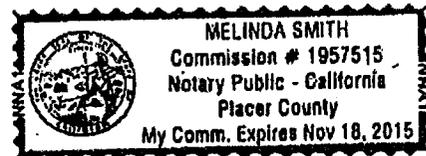
Melinda Smith

(Seal)

Notary Public

Commission No.: 1957515

Commission Expires: 11/18/2015



ACCEPTANCE BY NOMINATED TRUSTEE

CARCIONE FAMILY REVOCABLE LIVING TRUST,
under Declaration of Trust dated June 16, 1992

I, KAREN JENNIFER LOING, having been nominated to serve as Successor Trustee of the CARCIONE FAMILY REVOCABLE LIVING TRUST, under Declaration of Trust dated June 16, 1992, as amended, hereby ACCEPT such nomination to serve as Trustee of the Trust.

Executed this 11 day of ^{Sept}~~July~~, 2014, at Boulder, ^{Colorado}~~California~~.

Karen Jennifer Loing
KAREN JENNIFER LOING

State of Colorado
County of Boulder)

On September 11th, 2014, before me, ^{an}~~KAREN~~ DAVID MOSTEK, Notary Public, personally appeared KAREN JENNIFER LOING, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

David A. Mostek

(Seal)

Notary Public
Commission No.: 20134036414
Commission Expires: 06/10/2017

DAVID A MOSTEK
NOTARY PUBLIC
STATE OF COLOBADO
NOTARY ID 20134036414
MY COMMISSION EXPIRES JUNE 10, 2017

(Rev. 2-10-2015)

Real Property Purchase and Sale Agreement

Attachment C

ESCROW INSTRUCTIONS

TO: Ticor Title Company of Nevada
5441 Kietzke Lane, Suite 100
Reno, Nevada 89511
ATTN: Luanne Barnes

RE: Your Escrow No. 01403953- CD

Seller: JoAnne Silvia Grasso and Karen Jennifer Loing, Trustees under
Carcione Family Revocable Living Trust dated June 16, 1992
PO Box 474
Graeagle CA 96103

Buyer Washoe County,
a political subdivision of the state of Nevada
Community Services Department
1001 East Ninth Street
Reno, Nevada 8912

DATE: As of March 10, 2015

1. BACKGROUND

These Escrow Instructions are issued to you pursuant to a Real Property Purchase and Sale Agreement between Buyer and Seller a copy of which will be provided with these instructions.

2. APPOINTMENT OF ESCROW AGENT.

a. The parties mutually appoint you as escrow agent to close this transaction.

b. These instructions shall constitute the initial escrow instructions.

Supplemental or final escrow instructions by each party may be delivered to you and are binding if executed by the same person who signs these instructions, PROVIDED HOWEVER, that closing documents (including settlement statements and documents placed

into escrow) may be approved for Buyer by Rosemarie Entsminger, Washoe County Fiscal Compliance Officer who may instruct Escrow Agent to close in accordance with these instructions. If supplemental or final instructions conflict with these instructions, the supplemental or final instructions shall control.

3. DOCUMENTS TO BE PLACED IN ESCROW FOR RECORDING.
(Listed in order to record)

✓	Document	
1	Grant, Bargain and Sale Deed	Executed by Seller and Buyer
2	Declaration of Value	Executed by Seller and Buyer
3	Legibility Notice	Executed by Seller & Buyer
4	Non Revocable Agreement to Restrict Property	Executed by Buyer
5		
6		

4. OTHER DOCUMENTS TO BE PLACED IN ESCROW

✓	Document	
1	Real Property Purchase and Sale Agreement	Copy for your files
2	Closing Certificate with Representations and Warranties.	Executed by Seller.
3	Escrow Instructions	
4	Supplemental Escrow Instructions	
5	Attorney's Opinion	
6	Trust Agreement and Notification by Trustee	
7		

5. FUNDS TO BE PLACED IN ESCROW

✓	Amount	By
1.	\$ 325,000 + Buyer's share of closing costs.	Buyer
2	\$0.00	Seller

6. ALLOCATION OF COSTS AND TAXES

Preliminary Title Report	100% paid by Buyer
Title Insurance (details below).	100% paid by Buyer

Real Estate Transfer Tax	Exempt (transfer to political subdivision)
Escrow Agent Fees	100% by Buyer
Costs of Recording	100% by Buyer
Property Taxes, sewer fees, assessments.	To be prorated between Buyer and Seller. Refunds arising due to the fact that the Property will become exempt from Property Taxes may be collected by Seller.
Past Due Property Taxes	100% paid by Seller
Appraisals, inspections, surveys	All paid outside of escrow.
Other	As customary in Washoe County, Nevada, or stated in the Purchase Agreement.

7. TITLE INSURANCE Buyer requires:

Title Commitment means Preliminary Report issued by Ticor Title of Nevada Inc, dated as of October 16, 2014 Order No. 01403953-CD

Form	2006 ALTA Owner's Policy (06-17-06) Standard Coverage
Property Description	As indicated on the Title Commitment
Amount	\$ 325,000
Issuer	Underwriter for Ticor Title of Nevada, Inc.
Permitted Exceptions	Exceptions 1 – 22 of Title Commitment, provided that all taxes and liens are paid current.
Endorsements	None

8. ACTIONS BY ESCROW AGENT. You are hereby directed by the parties to take the following actions:

#	When	Action to take
a.	Immediately on opening of escrow	Please update Title Commitment
b.	As instructed	Preclosing and inspection of Settlement Statements
c.	As instructed	Closing: When you are irrevocably ready to issue the title insurance indicated in Paragraph 7 above, you may record the documents indicated in Paragraph 3 above and distribute funds in accordance with the approved Settlement Statements.

Final Escrow Instructions. As the closing of escrow is dependent on performances and conditions occurring outside of escrow, you are instructed to obtain final escrow instructions as indicated above. Final instructions may be obtained from:

For Buyer Jennifer Budge, Park Operations Superintendent
 Community Services Department
 Washoe, County, Nevada

For Seller
 JoAnne Silvia Grasso

9. DISBURSAL OF FUNDS. Upon closing, Escrow Agent shall disburse funds as follows:

Disburse to:	Amount	Method
Escrow Agent	All closing costs and fees	
Buyer	None	Check
Seller	All funds remaining in escrow	Wire

10. DEFAULT INSTRUCTIONS.

If either party informs you that the other party has defaulted, you shall (1) inform the other party of the alleged default, (2) retain all documents and wait for instructions signed by all parties and (3) if you do not receive instructions regarding return of funds within 30 days from the date that you were notified of a default, please return funds to the party that placed them in escrow, after deducting reasonable fees for your work as of the date of the notice. In

the event of conflicting instructions, you may interplead funds into a court, and may retain costs of the interpleader (including reasonable attorney's fees) from proceeds deposited with the court.

11. GENERAL PROVISIONS.

The standard "General Provisions" attached hereto are a part of these instructions. In the event of a conflict between these instructions and the General Provisions the terms of these instructions shall control.

Buyer

WASHOE COUNTY, a political subdivision of the State of Nevada by its Board of County Commissioners

By _____ Date _____
Marsha Berkgigler, Chair

Approved as to Form and Legality:
CHRISTOPHER HICKS
District Attorney

By _____ Date _____
Michael Large, Deputy District Attorney

Seller

JoAnne Silvia Grasso
JoAnne Silvia Grasso, Trustee under the Carcione
Family Revocable Living Trust dated
June 16, 1992

Date 2-10-2015

Karen Jennifer Loing
Karen Jennifer Loing, Trustee under the Carcione
Family Revocable Living Trust dated
June 16, 1992

Date ~~2-2~~ 2-12-15

State of Nevada)
County of Washoe)

Acknowledgement in Representative Capacity
(NRS 240.1665)

This instrument was acknowledged before me on February 10, 2015
by JOANNE SILVIA GRASSO as Trustee under the Carcione Family Revocable Living
Trust dated June 16, 1992.



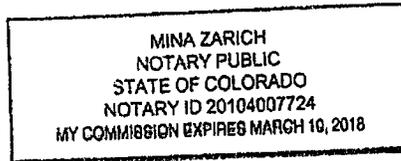
Joanna Schultz
Notary Public

State of COLORADO)
County of BOULDER)

Acknowledgement in Representative Capacity
(NRS 240.1665)

This instrument was acknowledged before me on FEBRUARY 12, 2015
by KAREN JENNIFER LOING as Trustee under the Carcione Family Revocable Living
Trust dated June 16, 1992.

Mina Zarich
Notary Public



Louis A. Basile
Kelley R. Carroll*†
Peter H. Cuttitta*
Steven C. Gross*
Brian C. Hanley*
James L. Porter, Jr.*
James E. Simon



Ravn R. Whittington*
Michael C. Mapes*
Christian N. Brown

Stephen C. Lieberman,
Of Counsel
Dennis W. De Cuir, A Law
Corporation, *Of Counsel*

† *Certified Specialist in Estate
Planning, Trust & Probate Law*

February 9, 2015

* *Also licensed in Nevada*

Washoe County, Nevada
A political subdivision of the State of Nevada
Community Services Department
Attn. Director
1001 East Ninth Street
Reno, Nevada 89512

Re: Sale of Real Property by JoAnne S. Grasso and Karen Loing, Co-Trustees under the Carcione Family Revocable Living Trust dated June 16, 1992 (the "Carcione Family Trust") as amended on November 17, 2006.

Ladies and Gentlemen:

I am an attorney duly admitted to practice law in the State of California and have acted as counsel for the Co-Trustees of the above mentioned Carcione Family Trust.

Documents Reviewed

I have examined the laws of California relating to establishment and administration of family trusts, and the probate of estates of deceased persons, and the following documents.

a. Photocopy of Amendment to Carcione Family Revocable Living Trust Dated June 16, 1992, executed on November 17, 2006, together with the "Carcione Family Living Trust" executed on June 16, 1992 (the "Trust Instrument")

b. Photocopy of a Notification by Trustee (Probate Code §16061.7) executed on October 6, 2014 certifying as to the deaths of Salvatore Carcione and Mary Kathleen Carcione and that JoAnne S. Grasso and Karen Loing are the successor Co-Trustees.

c. Photocopy of Grant Deed from SAL CARSON, aka SALVATORE CARCIONE and KATHLEEN CARSON, aka KATHLEEN CARCIONE granting certain described property to SALVATORE CARCIONE and MARY KATHLEEN CARCIONE, Co-Trustees under the Carcione Family Revocable Living Trust dated June 16, 1992, recorded as Document 1583525 in Book 3511 beginning at Page 0896, Official Records of Washoe County.

d. Original of the Real Property Purchase and Sale Agreement between Joanne S. Grasso and Karen Loing as Co-Trustees of the Carcione Family Revocable Living Trust dated June 16, 1992, as Seller, and Washoe County as Buyer, dated as of March 10, 2015 as Buyer of the "Real Property" being sold), Attachment 2 (Representations and Warranties), and Attachment 3 ("Escrow Instructions"), (the "Purchase Agreement");

(00498589.DOC 1)

e. Original of a Grant, Bargain and Sale Deed, executed by JoAnne S. Grasso and Karen Loing, Co-Trustees of the Carcione Family Revocable Living Trust dated June 16, 1992, transferring the Real Property to Washoe County (the “**Real Property Deed**”);

Opinion

Based on my review of the foregoing and having regard to legal considerations which I deem relevant, and subject to the qualifications and limitations stated below, I am of the opinion that:

1. The Carcione Family Trust was duly created and validly exists pursuant to California law.
2. The Real Property was duly transferred to and is currently held by the Co-Trustees of the Carcione Family Trust.
3. All actions required by the Trust Instrument and applicable law have been duly taken and performed, and the Co-Trustees of the Carcione Family Trust have the power and authority to sell the Real Property to Washoe County and to perform all obligations under the Purchase Agreement without first obtaining a court or administrative order or the permission of any beneficiary or third party, and selling the Real Property contemplated under the Purchase Agreement would not violate any statute, administrative order or regulation, the Trust Instrument, any other agreement, or any administrative or court order.
5. JoAnne S. Grasso and Karen Loing have been duly appointed and act as the co-Co-Trustees of the Carcione Family Trust and have the power and authority to execute the Purchase Agreement, Real Property Deed, Closing Certificate, and Escrow Instructions, without first obtaining any permission, agreement, or court order from any beneficiary or third party.
6. JoAnne S. Grasso and Karen Loing have executed the Real Property Purchase and Sale Agreement, Grant Bargain and Sale Deed, and Closing Certificate, and Escrow Instructions, and they constitute valid and binding obligations on and conveyances by the Carcione Family Trust consistent with the Trust Instrument.
7. No litigation before any court is pending or, to my knowledge, threatened which:
(i) challenges or affects the existence or powers of the Carcione Family Trust or the validity and enforcement of the Trust Instrument (ii) challenges or affects the appointment of JoAnne S. Grasso and Karen Loing as co-Co-Trustees; (iii) challenges or affects the powers or authority of the Carcione Family Trust to convey the Real Property to Washoe County as contemplated under the Real Estate Purchase and Sale Agreement; (iv) states a claim against the Carcione Family Trust or its assets; (v) states a claim or asserts a lien against the Real Property; (vi) seeks damages or injunctive relief as a result of an accident or injury that occurred on the Real Property or as a result of the actions or inactions of the Carcione Family Trust.

Limitations and Qualifications

This opinion is provided to you as the purchaser of the Real Property and is solely for your benefit and reliance. I have not verified the authenticity of photocopies that I have reviewed, but have no actual knowledge of any defects in them. I express no opinion with respect to the laws of any jurisdiction other than the laws of the state of California.

In issuing this opinion, I undertake no duty to revise it as to matters occurring after the date written above or as to any applicable, law, statute or regulation which may hereafter be amended, altered or repealed.

Very truly yours,

PORTER SIMON
Professional Corporation



KELLEY R. CARROLL
carroll@portersimon.com